

## Quarterly Report for the Period Ending 31 March 2017

28 April 2017

Emmerson Resources Limited  
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ASX Code: ERM  
379.4 million ordinary shares

Market Cap  
~A\$36.8 million (31-03-17)

Available Cash  
A\$4.4 million (31-03-17)

Board of Directors  
Andrew McIlwain  
*Non-executive Chairman*

Rob Bills  
*Managing Director & CEO*

Allan Trench  
*Non-executive Director*

Website:  
[www.emmersonresources.com.au](http://www.emmersonresources.com.au)

### Highlights

- Final results from 2016 Edna Beryl drilling returned:
  - 6.4m at 2.75g/t gold and 0.54g/t silver from 292.9m (EBWDD054) including:
    - 1.3m at 11.4g/t gold, 1.4g/t silver and 0.19% bismuth from 298m.
    - 2m at 2.11% copper, 8.3g/t silver, 2.06% bismuth and 0.33g/t gold from 197m (EBWDD054).
- Drilling confirms continuation of the Edna Beryl high-grade gold zone at depth.
- First ore with visible gold intersected in the development drives of Edna Beryl.
- High-resolution ground gravity and passive seismic surveys underway at the Edna Beryl gold project in Tennant Creek (NT).
- Completion of pre development drilling at Black Snake (the next small mine).
- Evolution Mining has formally notified ERM of its intention to complete its earn-in obligations under the Tennant Creek Mineral Field JV and extend the JV to capture Emmerson's newly acquired Rover project.
- All Tennant Creek exploration remains fully funded under A\$15M earn-in agreement with Evolution Mining.
- Flying of high-resolution aeromagnetic data over the Fifield project in NSW completed and integration with historical data to define drill targets in progress.
- Field work at the Kadungle project in NSW (option with Aurelia Metals) has verified the potential for both epithermal gold and porphyry copper – gold mineralisation. Some of the historical intercepts include:
  - 12m at 7.73g/t gold and 0.12% copper (drill hole KDD002)
  - 3m at 7.14 g/t gold and 0.34% copper (drill hole KRC019)
  - 37m at 0.23% copper incl. 6m at 1.1% copper (KDD013)
  - 154m at 0.12% copper and 0.37g/t gold (KRC019)
- Drilling to commence at Kadungle in May.
- Cash of \$4.4million at quarter end.

# Tennant Creek gold-copper project

## 1. Edna Beryl

Emmerson Resources Limited (“Emmerson” ASX: ERM) is pleased to announce the last of the assay results from Campaign 3 at Edna Beryl (completed in late 2016) confirm the high-grade gold mineralisation in Ironstone 1 continues at depth. Diamond drill hole EBWDD054 is the deepest drill hole to date at Edna Beryl, some 220m below the surface. This provides additional confidence that the mineralisation continues at depth and is open in most directions (figure 2 and 3). Of note in this drill hole is the high-grade bismuth (~2%) and copper (2.1%) which based on the historic metal zonation from other mines, indicates proximity to high-grade gold. This is again well illustrated in the best drill intersection (drill hole EBWRC041) from Campaign 3 of **8m at 157g/t gold** (which included 1m at 1043g/t gold, 229g/t silver, 1.44% bismuth and 2.04% copper) (ASX: 31 October 2016). Note this bonanza gold intersection tested blind (to the surface) ironstone that remains open and will be followed up in subsequent drill programs (Figure 2).

This February, ground-based exploration commenced with an ultra-high resolution, gravity survey over the Edna Beryl gold project. This initial orientation survey was aimed at delineating the extent of multiple ironstones that host the high grade, bonanza gold, intersected in last year’s drill programs. Processing and evaluation of this survey is underway and if successful, will be extended to other identified “Edna Beryl” style targets ahead of drilling. In parallel, a trial passive seismic geophysics was completed to define the base of the cover sequence and also ascertain if this technology was capable of pinpointing hematite ironstones (that host the gold mineralisation).

## 2. Rover Project

Late last year ERM announced that it had entered into a Heads of Agreement with Adelaide Resources (now Andromeda Metals) to gain access to their highly prospective and underexplored Rover project (ASX:15 November 2016) – some 65km SW of our Tennant Creek project (figure 4).

An in-depth geological and structural review including reprocessing of the magnetics has provided some new insights into the potential of this tenement package. It has highlighted a number of magnetic targets (the typical host to the gold and copper mineralisation) that remain untested or inadequately drill tested. Geophysical surveys will likely be undertaken to further refine targets for drilling.

This new project provides an unparalleled opportunity for ERM to apply its exploration rigor and expertise to a relatively immature but emerging mineral field, and where we have nearby mining, processing options and infrastructure at Tennant Creek – all at a time when quality gold projects are sparse.

The inclusion of this project under the Tennant Creek Mineral Field Earn-in and JV with Evolution Mining is further testament to the calibre and potential of this new acquisition. It not only provides funding by EVN toward the initial earn-in but positions ERM as the major player in one of Australia’s highest grade goldfields.

## 3. Retsina

Drilling last year at the Retsina prospect intersected hematite ironstone – the host to gold mineralisation, however, the assay results did not confirm the positive trace element geochemistry of these ironstones.

## 4. Black Snake

Pre-development drilling of three RC holes at Black Snake was aimed at validating historical high-grade gold intersections and to provide bulk samples for metallurgical testing ahead of potential mine development. Note

Black Snake is scheduled to be mined under a similar "Tribute" style agreement to the current Edna Beryl small mine.

## 5. Edna Beryl Small Mine

Good progress continues at Edna Beryl with development of the main and vent shaft plus cross cuts nearing completion.

As planned, two of the development drives have intersected the ore envelope, with free gold visible in some of the headings. This is consistent with the nearby, bonanza high grade gold drill holes. During the next quarter, underground mapping will provide further information on the grade and orientation of the mineralisation.

## 6. Other Small Mines

Planning and permitting is underway for mine development at Black Snake, Malbec and Chariot. It is envisaged that the development of these small mines will be via a similar tribute style agreement to Edna Beryl however the commercial arrangements are yet to be finalised. This style of agreement has the following advantages:

- A risk-free, near term income stream from Emmerson's non-core assets via a royalty agreement (until EVN completes its earn-in, ERM receives 100% of its share flowing from this agreement).
- Future access to refurbished underground workings for near mine exploration.
- The opportunity to monetise a pipeline of non-core assets within Emmerson's extensive tenement holdings but utilising a dedicated independent small mines company.

## 7. June Quarter Activities for Tennant Creek and Rover Projects

The following activities are planned for the June quarter:

- Additional drilling at Edna Beryl (outside of the small mines envelope) to test for extensions to the high grade gold zones intersected last year.
- Drill testing of additional Edna Beryl "look alike targets" within our Northern Project Area.
- If results of the orientation, ultra-high resolution gravity survey at Edna Beryl are successful, then extensions of this survey to map out further hematite ironstones in fertile structural locations.
- Drilling and geophysical surveys at the Rover Joint Venture.
- Continuation of the development drives within the Edna Beryl Tribute area, plus receipt of final approvals from the NT Government for the Edna Beryl Mine Management Plan.
- Continuation of the planning, permitting and approval process for the additional small mines.

Exploration remains fully funded under the \$15M earn-in JV with Evolution.

## New South Wales gold-copper projects

### 1. NSW General

Emmerson Resources Limited ("Emmerson" ASX: ERM) is pleased to announce the commencement of exploration over four of our NSW projects. These projects were generated from the application of proprietary, predictive 2D and 3D targeting models – developed in conjunction with our strategic alliance partner Kenex Limited. This alliance aims to greatly increase the success of predicting the next discoveries in NSW through identifying independent geological attributes that are highly correlated with mineralisation. Note: Kenex can earn up to a 10% interest in any tenements acquired upon achieving certain predetermined milestones (this does not apply to the Kadungle project).

## 2. Kadungle Project

Recent field activities at Kadungle (figure 5 & 6), the most advanced of the NSW projects, has confirmed the potential for extending both the previously drilled epithermal gold and porphyry copper- gold mineralisation. Interestingly further outcrops of epithermal quartz-hematite veins have been identified and will be the subject of further mapping and sampling. Once the integration of all data is complete, drilling in the current quarter will test for extensions of both styles of mineralisation.

Note the Kadungle project falls under an option agreement with Aurelia Metals and provides the right for Emmerson to earn up to 80% through spending \$0.5m over a five year period.

## 3. June Quarter Activities for NSW Projects

The following activities are planned for the June quarter:

- Drilling and mapping at Kadungle is expected to commence within the next quarter.
- Exploration is also well underway over Emmerson's other NSW projects with detailed high-resolution magnetic surveys completed over the EL's 8463 (Wellington), 8465 (Temora), 8464 (Fifield).
- Interpretation and analysis of the high resolution airborne magnetics and open file data is aimed at pinpointing epithermal gold and porphyry copper-gold targets within these extensive tenements.
- Landholder/stakeholder engagement over prioritised projects ahead of field work.

## Announcements

The Company has made the following announcements since the start of the quarter.

24/03/2017 Change of Directors Interest Notice  
24/03/2017 Appendix 3B  
14/03/2017 Exploration Update  
13/03/2017 Half Year Accounts  
27/02/2017 Change of Directors Interest Notice  
22/02/2017 Presentation RIU Explorers Conference  
21/02/2017 Extensions to High-Grade Gold  
31/01/2017 Quarterly Cashflow Report  
30/01/2017 Quarterly Activities Report

Emmerson Resources Limited



**Mr. Rob Bills**  
Managing Director and Chief Executive Officer

## **About Tennant Creek and Emmerson Resources**

The Tennant Creek Mineral Field (TCMF) is one of Australia's highest grade gold and copper fields producing over 5.5 Mozs of gold and 470,000 tonnes of copper from a variety of deposits including Gecko, Orlando, Warrego, White Devil, Chariot and Golden Forty, all of which are within Emmerson Resources (ASX: ERM) exploration and joint venture portfolio. These deposits are considered to be highly valuable exploration targets and, utilising modern exploration techniques, Emmerson has been successful in discovering copper and gold mineralisation at Goanna and Monitor in late 2011, the first discoveries in the TCMF for over a decade. To date, Emmerson has only covered 5.5% of the total tenement package (in area) with these innovative exploration techniques and is confident that, with further exploration, more such discoveries will be made.

Emmerson holds 2,500km<sup>2</sup> of ground in the TCMF, owns the only gold mill in the region and holds a substantial geological database plus extensive infrastructure and equipment. Emmerson has consolidated 95% of the highly prospective TCMF where only 8% of the historical drilling has penetrated below 150m.

Emmerson is led by a board and management group of experienced Australian mining executives including former MIM and WMC mining executive Andrew McIlwain as non-executive chairman, and former senior BHP Billiton and WMC executive Rob Bills as Managing Director and CEO.

Pursuant to the Farm-in agreement entered into with Evolution Mining Limited (Evolution) on 11 June 2014, Evolution is continuing to sole fund exploration expenditure of \$15 million by 31 December 2017 to earn a 65% interest (Stage 1 Farm-in) in Emmerson's tenement holdings in the TCMF. An option to spend a further \$10 million minimum, sole funded by Evolution over two years following the Stage 1 Farm-in, would enable Evolution to earn an additional 10% (Stage 2 Farm-in) of the tenement holdings. Emmerson is acting as manager during the Stage 1 Farm-in and is receiving a management fee during this period. Exploration expenditure attributable to the Stage 1 Farm-in to date is approximate \$12.1million.

## **About Evolution Mining (ASX: EVN)**

Evolution Mining is a leading, growth-focussed Australian gold miner. Evolution operates six wholly-owned mines – Cowal in New South Wales; Mt Carlton, Mt Rawdon, and Cracow, in Queensland; and Mungari and Edna May in Western Australia. In addition, Evolution holds an economic interest in the Ernest Henry copper-gold mine that will deliver 100% of future gold and 30% of future copper and silver produced from an agreed life of mine area.

Outside of the life of mine area Evolution will have a 49% interest in future copper, gold and silver production. In FY16 Evolution produced 803,476 ounces of gold at an AISC of A\$1,014 per ounce generating an operating cash flow of A\$628.4 million.

As a result of the acquisition of an economic interest in Ernest Henry in November 2016, Evolution revised its FY17 Group gold production guidance to 800,000 – 860,000 ounces at an AISC of A\$900 – A\$960 per ounce.

## **About Edna Beryl Mineralisation**

Edna Beryl was discovered by prospectors in 1935 and mined underground in the 1940s and 1950s to a maximum depth of approximately 50 metres. Production up until 1952 was reportedly 2,700t of ore at an exceptional grade of 53g/t gold.

More recent exploration in the Edna Beryl area between 1996 and 2000 by Giants Reef Mining (GRM) outlined additional high-grade gold mineralisation below the historic workings and resulted in an estimate being reported in 1998 by independent consultants in accordance with the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC: 1998). While this estimate does not meet the minimum reporting requirements for a Mineral Resource under the current 2012JORC Code, Emmerson considers the Edna Beryl mineralisation to constitute an Exploration Target of 5,000t to 10,000t at 20 to 30 g/t gold, however cautions that the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to estimate a

Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

### **About Andromeda Metals**

Andromeda Metals is an Australian Securities Exchange listed company (code: ADN) focusing principally on mineral exploration for gold deposits, with copper and lithium secondary targets. Andromeda Metals currently has interests in 18 exploration licenses, covering 5,928 sq kms within South Australia, Queensland, Western Australia and the Northern Territory.

### **About Kenex**

Kenex is a Wellington and West Australian based company which was established in 2002 to provide GIS and exploration services and advice for the exploration and mining industries in Australia and New Zealand. Over the last 10 years, Kenex have broadened their international experience through involvement with projects and clients in the Middle East, Africa, Scandinavia, Asia-Pacific and Latin America. Kenex is a group of highly motivated research professionals who have more than 85 years of combined experience and knowledge in exploration and mining, locally (New Zealand/Australia) and abroad, including the Solomon Islands, Africa, Papua New Guinea, Asia and Latin America. Kenex also have growing expertise in the marine minerals sector.

Kenex specialise in predictive modelling for minerals (2D and 3D) where it is at the forefront of providing these services to businesses to generate targets with the greatest geological potential in relation to the mineral system being evaluated. This delivers to our client's outcomes which can be used for a variety of purposes including regional evaluation of a mineral belt, identification of opportunities for acquisition, the tools for effective exploration work programme planning and in the case of predictive 3D modelling, drill hole targeting.

Under the alliance, Emmerson will hold the exclusive rights to any new targets identified for a period of 12 months and may, through a modest payment to Kenex, acquire full exclusivity. Kenex can earn up to a 10% interest in any tenements acquired as part of the alliance upon achieving certain predetermined milestones, with exploration costs shared proportionally.

### **About Aurelia (ASX: AMI)**

Aurelia Metals became a gold producer in 2014 and its flagship asset is the high-grade Hera gold-lead-zinc-silver mine in central NSW.

In FY 2016, the Hera mine produced 46,882 ounces of gold and 25,406 tonnes of lead-zinc concentrates from the processing of 308,118 tonnes of ore.

The Company is pursuing significant further improvements in the Hera operation including improved metal recoveries, increased throughput and operating cost reductions. Aurelia is also pursuing a near mine exploration programme, with a strong view on the capacity for Hera to evolve into a large scale, high-grade 'Cobar style' deposit.

Aurelia is also actively evaluating the evolving copper deposit at Nymagee with the potential that the Nymagee mineralisation may evolve into another 'Cobar Giant' similar to the world class CSA copper deposit located approximately 100km north-west along strike.

### **Regulatory Information**

*The Company does not suggest that economic mineralisation is contained in the untested areas, the information contained relating to historical drilling records have been compiled, reviewed and verified as best as the Company was able. As outlined in this announcement the Company is planning further drilling programs to understand the geology, structure and potential of the untested areas. The Company cautions investors against using this announcement solely as a basis for investment decisions without regard for this disclaimer.*

## **Competency Statement**

*The information in this report which relates to Tennant Creek Exploration Results is based on information compiled by Mr Steve Russell BSc, Applied Geology (Hons), MAIG, MSEG. Mr Russell is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition and the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Russell is a full time employee of the Company and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

*The information in this report which relates to NSW Projects Exploration Results is based on information compiled by Dr Ana Liza Cuisson, MAIG, MSEG. Dr Cuisson is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2004 edition and the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Cuisson is a full time employee of the Company and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

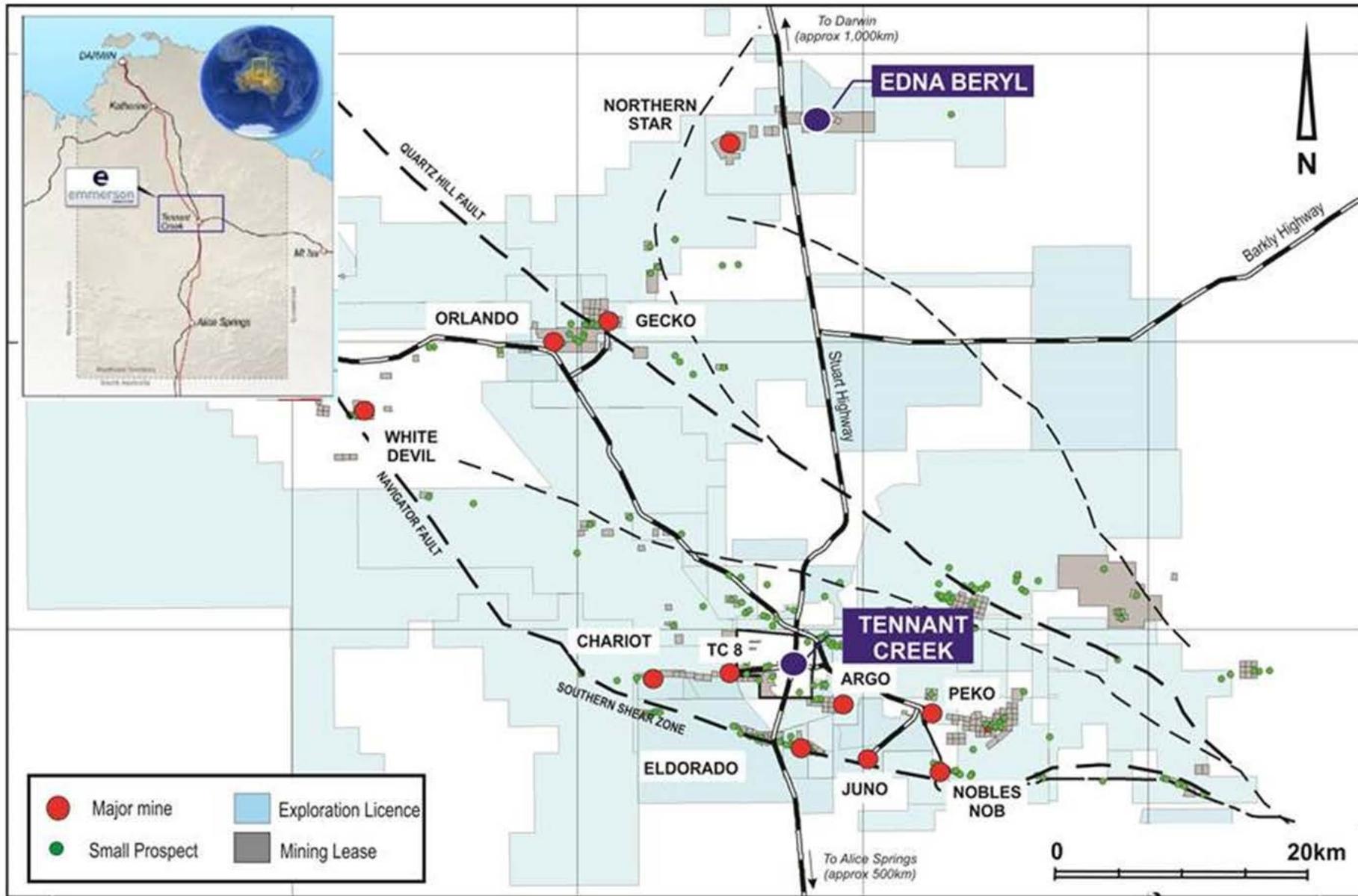


Figure 1: Location diagram of the Edna Project Area

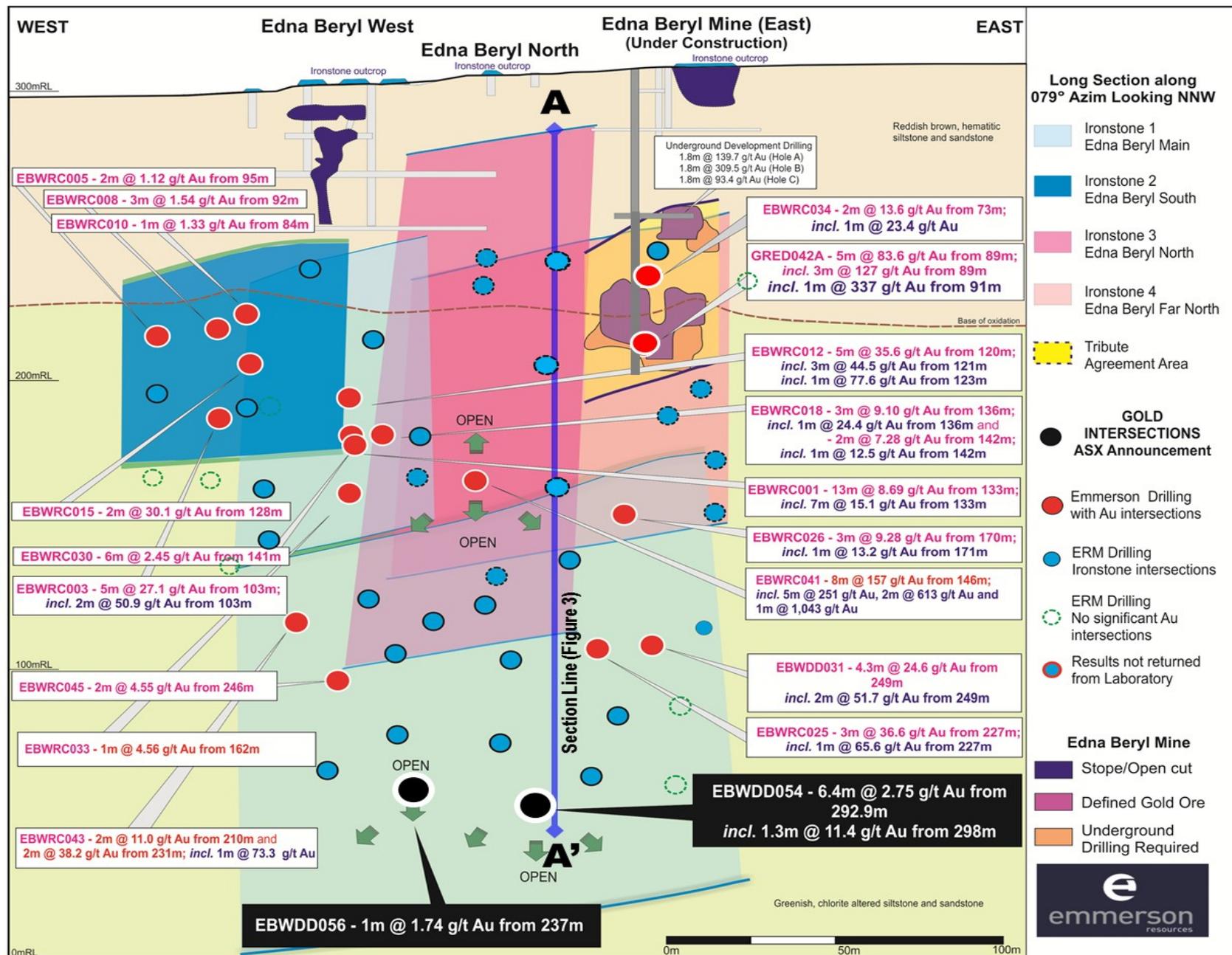


Figure 2: Long Section of the Edna Beryl district and recently completed drilling (solid black circles) highlighting the depth extensions of the Edna Beryl "Deeps" mineralisation.

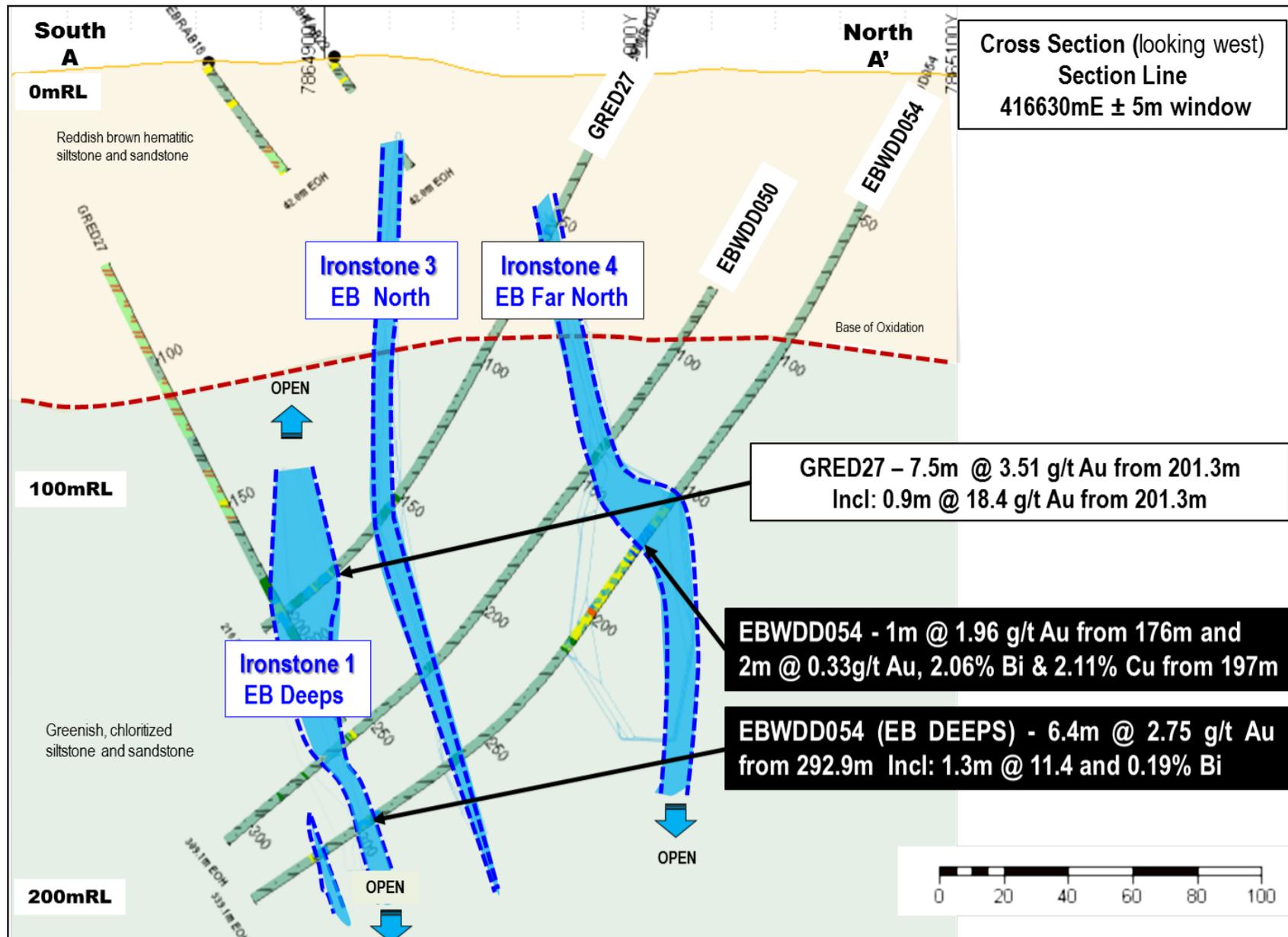


Figure 3: Cross Section of the Edna Beryl main and deeps ironstone with recently completed drilling and significant intersections.

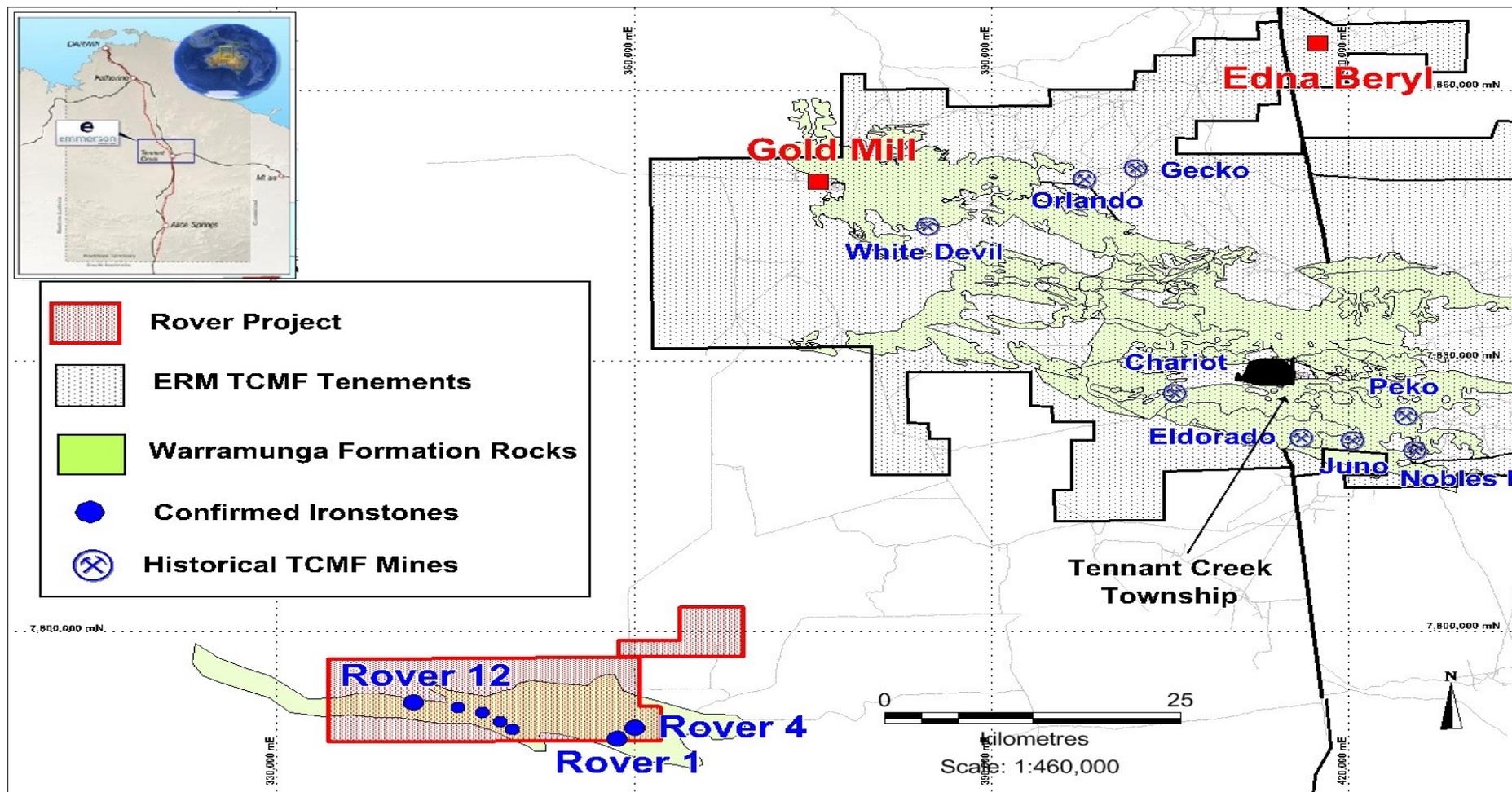


Figure 4: Location of the Rover Project and Emmerson's 100% owned Tennant Creek Mineral Field Project

# New South Wales Projects

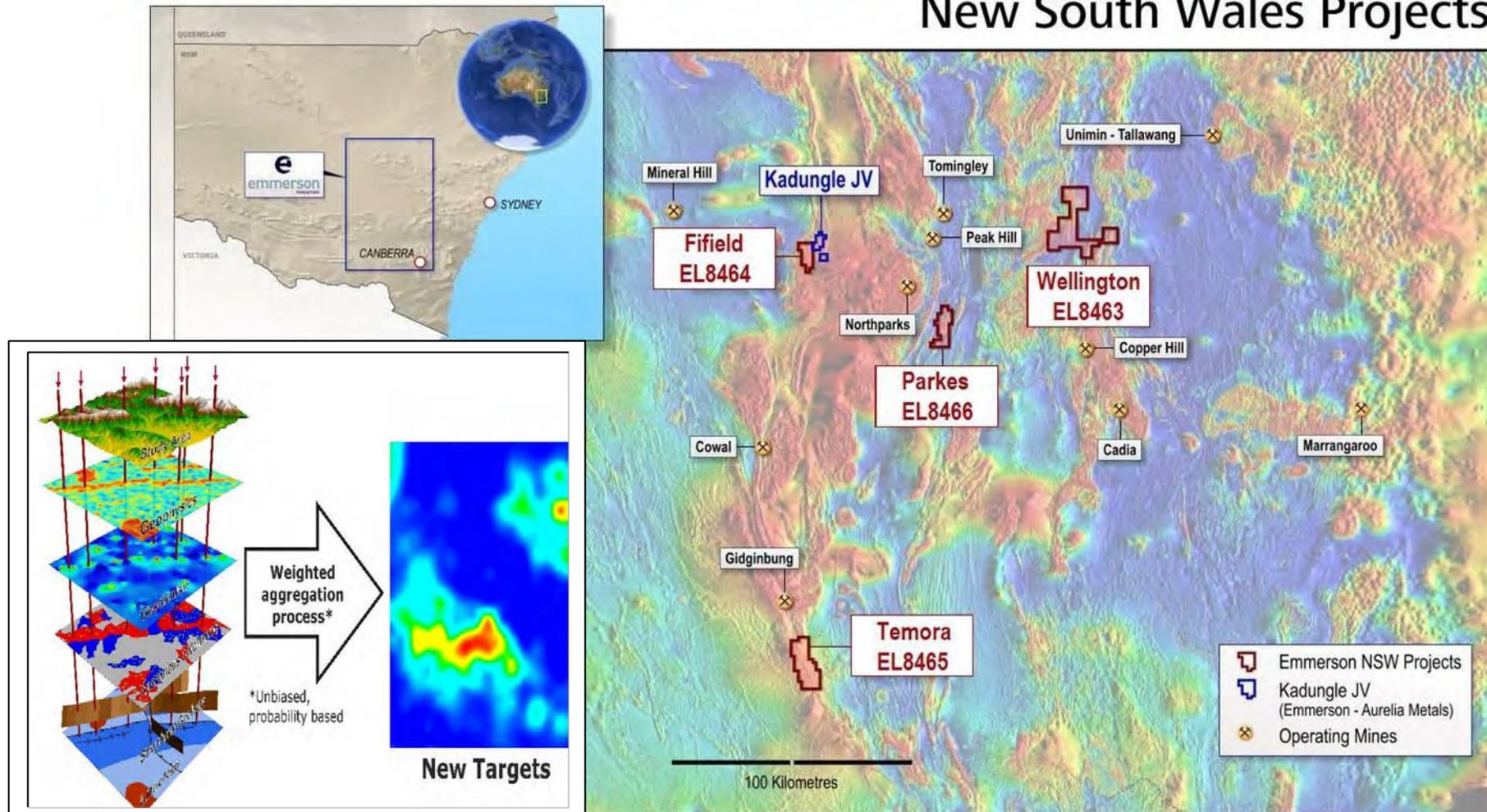


Figure 5: Emmerson Resources NSW Projects generated from proprietary, predictive 2D & 3D targeting models

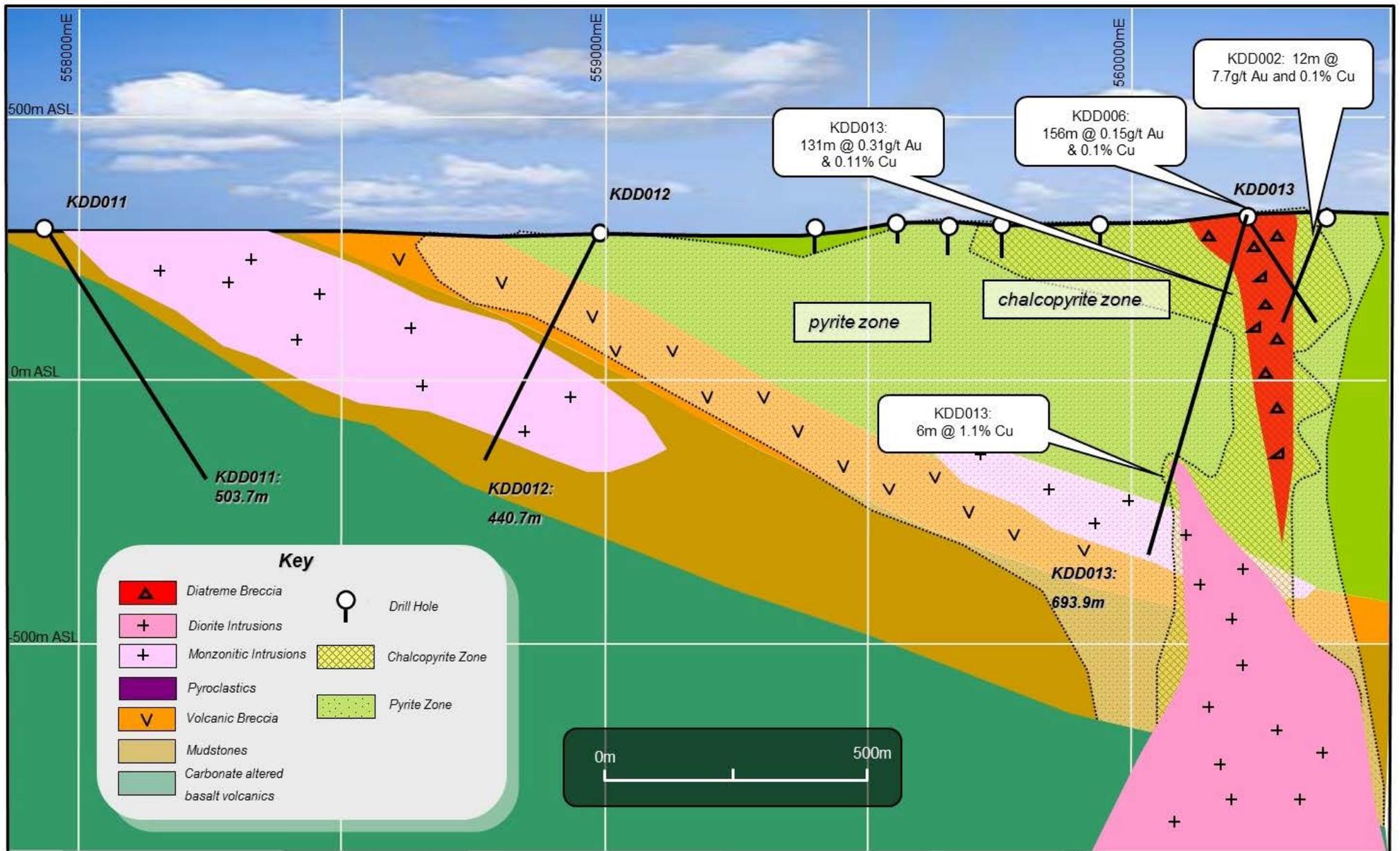


Figure 6: Schematic cross section of the Kadungle (NSW) project showing some of the historical drill intercepts

Table 1: March Quarter drillhole details.

Hole ID	East (MGA94_53)	North (MGA94_53)	RL AHD	Dip(deg)	AZI mag (deg)	Depth (metres)	Drill Date	Drill Type	Sample Type	Tenement Number
EBWDD054	416622.79	7865086.61	301.22	-66.0	159.0	339.1	26/11/2016	RCP/DDH	NQ Core	ML C705
EBWDD056	416594.19	7865067.18	301.38	-66.0	163.4	334.9	07/11/2016	RCP/DDH	NQ Core	ML C705
BSRC017	429574.39	7823517.54	388.50	-90.0	0	49.0	24/03/2017	RC	RC Chips	MLC53
BSRC018	429587.85	7823522.08	389.80	-90.0	0	37.0	24/03/2017	RC	RC Chips	MLC53
BSRC019	429581.92	7823513.22	389.40	-90.0	0	19.0	24/03/2017	RC	RC Chips	MLC53
<b>TOTAL</b>						<b>779m</b>				

**Table2:** Edna Beryl significant drillhole intersections

Hole ID	East (MGA94_53)	North (MGA94_53)	RL AHD	Dip (deg)	AZI mag (deg)	From (m)	To (m)	Width (m)	Au (g/t)	Ag (ppm)	Bi (ppm)	Cu (ppm)	Fe (%)	Pb (ppm)	Zn (ppm)	Mo (ppm)	Sb (ppm)	Sample Type
EBWDD054	416622.79	7865086.61	301.22	-66	159.0	176	177	1.0	1.96	0.11	32.1	0.02	16.8	10.1	6.00	18.7	2.06	½ NQ2
						197	199	2.0	0.33	8.30	2.06%	2.11%	7.21	61.8	16.0	53.1	59.6	½ NQ2
						292.9	299.3	6.4	2.75	0.54	695	0.002	6.35	9.47	65.6	5.11	0.69	½ NQ2
					Incl.	<b>298.0</b>	<b>299.3</b>	<b>1.3</b>	<b>11.4</b>	<b>1.40</b>	<b>0.19%</b>	<b>0.002</b>	<b>6.66</b>	<b>11.7</b>	<b>57.2</b>	<b>1.60</b>	<b>0.71</b>	½ NQ2
EBWDD056	416594.19	7865067.18	301.38	-66	163.4	237	238	1.0	1.74	0.77	171	0.32	23.4	43.7	15.0	87.8	4.9	½ NQ2

**Note:**

- (1) EBWDD054 + EBWDD056 results are ½ diamond core samples.
- (2) EBWDD054 results are reported as a down hole weighted average.
- (3) Gold analysis method by 25g fire assay with ICP-OES finish.
- (4) Multi element analysis method by 4 acid digest & ICP-OES, ICP-MS finish.
- (5) Intersections are reported as downhole lengths and not true width.
- (6) Minimum cut-off of 1 g/t Au. No maximum cut-off.
- (7) Minimum cut-off of 1% Cu. No maximum cut-off.
- (8) Maximum of 2m internal dilution.
- (9) ½ NQ2 represents Diamond Drill core sawn in half.

**Table3:** Kadungle drillhole details and ASX announcements (previously released by Aurelia)

Hole ID	East (MGA94_55)	North (MGA94_55)	RL AHD	Dip (deg)	AZI mag (deg)	Depth (m)	Drill Date	Drill Type	Tenement	Relevant ASX Release Date
KRC019	560407.0	6378652.0	324.0	-60	91	204	11/12/2011	RC	EL6226	23/02/2008
KDD002	560489.3	6378691.9	313.5	-70	270	249.5	24/01/2006	DDH	EL6226	13/04/2007
KDD006	560337.0	6378714.5	311.0	-58	90	240.8	6/06/2007	DDH	EL6226	30/07/2007
DD013	560345.1	6378712.7	311.7	-70	258.5	693.9	28/04/2008	DDH	EL6226	04/06/2008

The exploration results contained within the above company release are in accordance with the guidelines of *The Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code, 2012).

## SECTION 1 SAMPLING TECHNIQUES AND DATA – EDNA BERYL EXPLORATION TARGET

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>• <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drill holes (EBWRC001-004) were reported ASX: 19/05/2016.</li> <li>• Drill holes (EBWRC005-030) were drilled during the period from 5/06/2016 – 25/06/2016 and reported to the ASX: 02/08/2016.</li> <li>• Drill holes (EBWRC033-035&amp;038-046, 048, 052 &amp; 053 and EBWDD031-32, 37, 49 – 51, 54 &amp; 56 and GRED42A) were drilled during the period from 16/09/2016 – 26/11/2016 and reported in this current release.</li> <li>• Drilling targets ironstone both to the east and to the west of the known Edna Beryl mineralisation plus confirmation of historical gold intersections and extensions within the Edna Beryl Deeps area (Ironstone 1, formerly panel 3).</li> <li>• Holes were angled to optimally test the interpreted shear zone).</li> <li>• Drill holes have been drilled at an angle between 60 – 67 degrees and all holes in Campaign 3 are drilling towards the south.</li> <li>• The Edna Beryl Exploration Target has been historically sampled using RAB, Reverse Circulation (RC) and diamond drilling (DD) techniques. 24 RAB holes for 1,140m, 40 RC/Percussion holes for 5,407m and 28 Diamond holes for 4,827.6m have been completed. The drill hole spacing is nominal 10m x 10m grid spacing. Holes have been angled to optimally test the host shear zone.</li> <li>• RC chips (EBWRC001-EBRC030) were riffle split on site to obtain 3m composite samples from which 2.5–3.0kg sample was pulverised (at Genalysis in Alice Springs) to produce a 25g charge for analysis by Aqua Regia digestion / ICP-MS/OES (Au, Ag, Bi, Cu, Fe, Pb, Zn, Mo, Se, Sb).</li> <li>• Individual 1m (re-split) samples are retained on the drill site. Anomalous zones were individually assayed (re-splits) once 3m composite results are returned.</li> <li>• Individual 1m samples are pulverised to produce a 25g charge for analysis by four acid digest with an ICP/OES (Cu, Fe, Pb, Zn) ICP/MS (Ag, Bi, Mo, Sb,) &amp; Fire Assay/AAS (Au) finish.</li> <li>• To increase assay turnaround samples reported in this release were collected as 1m samples through zones of interest.</li> <li>• These 1m samples were pulverised to produce a 25g charge for analysis by four acid digest with an ICP/OES (Cu, Fe, Pb, Zn) ICP/MS (Ag, Bi, Mo, Sb,) &amp; Fire Assay/AAS (Au) finish.</li> <li>• Higher grade gold samples have been re submitted for Screen Fire Assay (results pending)</li> <li>• RC samples were collected via a fixed cone splitter that is mounted to the drill rig under a 1200cfm cyclone.</li> <li>• The fixed cone splitter has three sample chutes for comparative sampling, 2 chutes are synchronised for comparative samples and 1 Chute is independently set for the geologists field samples.</li> <li>• Air Leg samples (ASX:16 Mar 2016) were collected from the floor of the refurbished cross cut drive at Edna Beryl to a final depth of 1.83m or 6 foot.</li> <li>• Air Leg samples were collected from approximately 53m below surface level.</li> <li>• Samples consisted of powdered (dust) and larger chips of red hematite ironstone.</li> </ul>
<b>Drilling</b>	<ul style="list-style-type: none"> <li>• <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic,</i></li> </ul>	<ul style="list-style-type: none"> <li>• 15 RC drill holes for 3,118m were drilled in this third drill program (EBWRC033-035, 038-045, 046, 048, 052 &amp; 053 –</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>techniques</b>	<p><i>etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></p>	<p>table 2 in text).</p> <ul style="list-style-type: none"> <li>• 11 diamond hole pre collars for 2,127m were drilled in this third drill program (EBWDD031-032, 036-037, 047, 049-051 &amp; 054 - 056).</li> <li>• 9 diamond holes have been completed for 621.8m (EBWDD031-032, 037, 049 – 051, 054 &amp; 056)</li> <li>• RC drilling utilizes a 5 3/4 inch, face sampling bit.</li> <li>• Diamond drilling utilizes NO<sup>2</sup> size drill bit.</li> <li>• RAB, RC and Diamond drilling accounts for 100% of the current drilling at the Edna Beryl Exploration Target.</li> <li>• RC recoveries are logged and recorded in the database and for this program were considered excellent.</li> <li>• Three vertical air leg holes were spaced at 1m x 1m and drilled to a final depth of 1.83m (ASX: 16 Mar 2016).</li> <li>• The diameter of the air leg drill steel outside diameter is 30mm.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• RC samples are visually checked for recovery, moisture and contamination. No issues were encountered.</li> <li>• If any issues or concerns are raised they are discussed at the time with the drilling contractor and also recorded in our database and drilling diary.</li> <li>• Recoveries are considered good to excellent for the reported RC drilling.</li> <li>• RC samples are collected via a fixed cone splitter that is mounted to the drill rig under a 1200cfm cyclone.</li> <li>• The cyclone and splitter are routinely cleaned with more attention spent during the drilling of damp or wet samples.</li> <li>• There were no “wet samples” during this program.</li> <li>• Drill core is oriented and recovery recorded during geological logging.</li> <li>• Emmerson consider that there is evidence for sample bias that may have occurred due to preferential loss/gain of fine/coarse material. Visible (course) gold is identified in sections of historical diamond core so caution is required.</li> <li>• Selected core and RC chips have been re submitted to the laboratory for screen fire assay to assist with any sample bias (results pending).</li> <li>• Air leg drill sample was collected as dust and chips were returned to the surface of the cross cut drive.</li> <li>• All samples were dry.</li> <li>• Sample recovery for RC and Diamond core is considered good and representative.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Standard operating procedures are employed by Emmerson for logging RC samples.</li> <li>• All RC and DDH samples are lithologically logged in one metre intervals.</li> <li>• Drill hole logging data is directly entered into field tough book computers via Logchief software. Look up codes and real time validations reduce the risk of data entry mistakes.</li> <li>• Field computer data (the drill log) are uploaded to Emmerson's relational database whereby the data undergoes a further set of validations checks prior to final upload.</li> <li>• Standardised codes are used for lithology, oxidation, alteration, veining and presence of sulphide minerals.</li> <li>• Structural logging of the RC drill samples was not possible however is possible within sections of the diamond core.</li> <li>• Magnetic susceptibility data for all individual 1m RC samples and selected zones of diamond core are collected as per ERM procedure.</li> <li>• All RC chips are stored in trays in 1m intervals.</li> <li>• All diamond holes are photographed prior to cutting of the drill</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>core.</p> <ul style="list-style-type: none"> <li>• Representative RC chips and diamond core is available to all geologists (a physical reference set) to ensure consistency of logging.</li> <li>• All historical drill core and RAB &amp; RC samples was lithologically re logged.</li> <li>• A detailed validation of all historical drilling data was completed in 2015 by a full time Emmerson Resources senior geologist.</li> <li>• Standardised codes were used for lithology, oxidation, alteration and presence of sulphide minerals.</li> <li>• Structural logging of selected historical diamond drill core was completed in 2016 recording orientation of veins, fractures and lithological contacts.</li> <li>• Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape, roughness and fill material is stored in the structure table of Emmerson's database.</li> <li>• Historical and current diamond core is stored in Tennant Creek however several holes (or sections of holes are missing or incomplete. RC chips could not be located.</li> <li>• No geological logging was completed on the 3 air leg drill holes however; the samples are described as brick red, heavy ironstone.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Standard sampling operating procedures have used by Emmerson during the Edna Beryl drilling.</li> <li>• The sample preparation of RC samples for follows industry best practice in sample preparation involving oven drying, coarse crushing of the sample down to ~10mm followed by pulverisation of the entire sample (total prep) using LM5 grinding mills to a grind size of 85% passing 75 micron.</li> <li>• Pulverised material not required by the laboratory (pulp) including duplicate samples are returned to ERM, logged into a database and stored undercover at the Tennant Creek office.</li> <li>• Coarse rejects are disposed of by the Laboratory.</li> <li>• RC duplicate samples were routinely submitted with duplicate assays returning acceptable comparison results.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Field QC procedures involve the use of certified reference material (CRM's) as assay standards, and ERM include blanks, duplicates.</li> <li>• QAQC protocols consist of the insertion of blanks at a rate of one in every 40 samples, insertion of standards (CRM's) at a rate of approximately one in every 20 samples and duplicate field sample analysis of at a rate of approximately one in every 20 samples.</li> <li>• A selection of CRM's is available to the geologists and insertion points are predetermined prior to drilling.</li> <li>• The geologist has the ability to override this predetermined insertion based on visual and geological characteristics of the current drill hole.</li> <li>• Insertion of assay blanks is increased when visual mineralisation is encountered and consists of insertion above and below the mineralised zone.</li> <li>• Individual 1m field duplicates RC samples are collected using a riffle splitter.</li> <li>• Laboratory checks include CRM's and in-house controls, blanks, splits, and replicates that are analysed with each batch of samples submitted. These QC results are reported along with sample values in the final analytical report. Barren quartz washes are also routinely used in zones of mineralisation.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>• QAQC data is uploaded with the sample values into ERM's database through an external database administrator (contractor).</li> <li>• A QAQC database is created as a separate table in the database and includes all field and internal laboratory QC samples.</li> <li>• QC data is reported through a series of control charts for analysis and interpretation by the Exploration Manager or his/her delegate.</li> <li>• The sample sizes are considered to be appropriate to correctly represent the gold mineralisation at the Edna Beryl Exploration Target based on the style of mineralisation (iron oxide copper gold), the thickness and mineral consistency of the intersection(s).</li> <li>• Emmerson's sampling methodology (SOP) is available at any time for peer review.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Emmerson's Exploration Manager (Competent Person) has discussed in detail the drill and sample collection procedures with the driller and is satisfied that best practice has been followed.</li> <li>• Emmerson's Exploration Manager (Competent Person) has discussed sample preparation and analyses with Genalysis Intertek sample Prep and Lab Manager to confirm the integrity of the sample assay process.</li> <li>• Due to the high grade nature of the samples several repeats have been carried out and the repeatability is considered to be reasonable.</li> <li>• Screen fire assays are submitted to assist in correct reporting and particle size analysis.</li> <li>• Original data sheets and files are retained to validate the contents of the database against the original logging.</li> <li>• No twin drill holes have been completed at the Edna Beryl Exploration Target.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sample locations are shown in Figure 2 and Table 3 within the main text.</li> <li>• All reported drill hole collars were surveyed (set out and picked up) using a differential GPS and by a suitably qualified company employee.</li> <li>• Collar survey accuracy is +/- 30 mm for easting, northing and elevation coordinates.</li> <li>• Co-ordinate system GDA_94, Zone 53.</li> <li>• Topographic measurements are collected from the final survey drill hole pick up.</li> <li>• Downhole survey measurements were collected routinely every 6m down hole using an REFLEX EZ-Shot® electronic single shot camera for RC.</li> <li>• A selection of RC holes were surveyed using a gyroscope tool and accuracy is comparable to the REFLEX single shot tool.</li> <li>• Diamond drill holes are surveyed every 15m using a REFLEX single shot tool.</li> <li>• This survey camera equipment is quoted by the manufacturer to have an accuracy of <ul style="list-style-type: none"> <li>○ Azimuth 0-360° ± 0.5°</li> <li>○ Dip ± 90° ± 0.2°</li> </ul> </li> <li>• If the measurement is considered to be affected by magnetic material (ironstone) then an average from the last non affected and the next non affected measurement is used.</li> <li>• There were no down hole survey issues during this drill program and all collar positions have been validated by the Exploration Manager.</li> </ul>
<b>Data spacing</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drill holes are spaced 10-15 metres apart in dip and strike.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>and distribution</b>	<ul style="list-style-type: none"> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<p>This close spacing is necessary due to the style and morphology of the shear zone being drill tested.</p> <ul style="list-style-type: none"> <li>The spacing of historic drill hole collars is erratic, possibly to allow for the high degree of drilling deviation encountered in the Tennant Creek Mineral Field.</li> <li>Identified mineralisation within the Edna Beryl Exploration Target has been defined by drill holes on a section spacing of 10 m to 20 m with an average on-section spacing of 10 m.</li> <li>Emmerson considers the Edna Beryl mineralisation to be an Advanced Exploration Target and that it is uncertain that following evaluation and/or further exploration work that the historical estimate will be able to be reported as Mineral Resources or Ore Reserves in accordance with the requirements in Appendix 5A (JORC Code).</li> <li>The air leg holes were space 1m apart.</li> <li>The cross cut drive is 2m x 1.1m.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration drilling is at a high angle to the mineralized bodies and/or shear zone.</li> <li>Exploration drilling is perpendicular to mineralized bodies or shear zone.</li> <li>No orientation based sampling bias has been identified in the data at this point.</li> <li>It is considered that the recent RC drilling is representative and that no sample bias has been introduced.</li> <li>Results at this stage suggest that the geological targets being tested have been drilled at the correct orientation.</li> <li>The 3 air leg holes were drilled vertically into the floor of the cross cut drive.</li> <li>It is considered that the vertical drilling is representative and that no sample bias has been introduced.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>RC samples from this round of drilling were selected, bagged and labelled by site geologist and field assistants.</li> <li>They are placed in sealed polyweave bags and then larger bulka bags for transport to the assay laboratory.</li> <li>Diamond core is cut down the core orientation line and same side half core is collected for assay.</li> <li>Core length minimum is 0.8m and maximum 1.5m.</li> <li>Sampling intervals are determined by lithological changes.</li> <li>The assay laboratory confirms that all samples have been received and that no damage has occurred during transport.</li> <li>Tracking is available through the internet and designed by the Laboratory for ERM to track the progress of batches of samples.</li> <li>Sample receipt is logged into ERM's sample ledger.</li> <li>While samples are being prepared in the Lab they are considered to be secure.</li> <li>While samples are being analysed in the Lab they are considered to be secure.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No formal audit has been completed on the historical samples.</li> <li>An internal review of the sampling techniques, QAQC protocols and data collection <u>has not been conducted by Emmerson.</u></li> <li>Digital Rock Services Pty Ltd (1998) and Rocksearch Australia validated historical data on two separate occasions. Minor issues were identified and remedied at the time.</li> </ul>

## SECTION 2 REPORTING OF EXPLORATION RESULTS – EDNA BERYL EXPLORATION TARGET

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and</li> </ul>	<ul style="list-style-type: none"> <li>The Edna Beryl Exploration Target lies wholly within Mineral</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>and land tenure status</b>	<p><i>ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <ul style="list-style-type: none"> <li><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<p>Lease C705 (ML C705).</p> <ul style="list-style-type: none"> <li>The Edna Beryl Exploration Target is located 37kms north of Tennant Creek Township and 3kms east of the Stuart Highway.</li> <li>Edna Beryl is situated on map sheet SE53-14 Tennant Creek 1:250,000 and sheet 5759 Flynn 1:100,000 at GDA coordinate 416500mE 7864700mN.</li> <li>ML C705 is located within Aboriginal Freehold Land held by the Warumungu Aboriginal Land Trust (NT portion 1754). The tenement is 100% held by Emmerson Resources Limited.</li> <li>The exploration target is on Aboriginal Freehold Land. An agreement under the Aboriginal Land Rights (Northern Territory) Act 1976 has been entered into between Emmerson Resources and the Central Land Council on behalf of the Aboriginal landowners. The agreement provides for the protection of sites, the payment of compensation and allows the landowners unfettered access to the lease area (other than the immediate mine site where there are restrictions).</li> <li>Emmerson Resources are in Joint Venture with Evolution Mining.</li> <li>Exclusion Zones are identified within MLC 705 however does not impact on the Edna Beryl Exploration Target area.</li> <li>Approval to drill the third phase of drilling was received from Traditional Owners prior to drilling commencement.</li> <li>MLC 705 is in good standing and no known impediments exist.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>Edna Beryl was discovered in 1935 and mined in the 1940s and 1950s by excavation of vertical shafts and horizontal drives to a maximum depth of about 50 metres. Production up until 1952 was reportedly 2,700 tonnes of ore at an average grade of 53 grams gold per tonne.</li> <li>Giants Reef Mining conducted all known "modern" exploration in and around the Edna Beryl Exploration Target Area.</li> <li>Giants Reef has carried out exploration on the Edna Beryl area from 1990 to 2005 and during this time identified significant gold mineralisation below the original workings.</li> <li>An existing shaft sunk during the earlier mining was refurbished in 1996.</li> <li>In 2004 – 2005 mining was conducted by the Edna Beryl Mining Company (formally known as Craig's Mining Services) in a Tribute arrangement with Giants Reef Mining. Approximately 410 ounces was produced during this period from the upper mineralised pod from an exploration shaft and drive to current depth of 52m.</li> <li>Influx of underground water plus declining gold price ceased the operation in July 2005.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>Gold and copper-gold deposits discovered in the Tennant Creek gold field to date, are hosted in the Lower Proterozoic Warramunga Formation; a metamorphosed (greenschist facies)</li> <li>Greywacke-siltstone-shale sedimentary sequence that usually displays a pronounced east-west cleavage. Ore occurs adjacent to steeply dipping, lenticular or pipe-like magnetite/haematite/chlorite/quartz bodies ('ironstone') that are found along east-west trending structures. It is generally thought that the magnetite / haematite was hydrothermally formed in dilation zones along the controlling structures, and that the deposition of gold, sulphides and associated alteration minerals was a later event with mineralisation possibly being derived from a different source but following the same structurally controlled path.</li> <li>In plan view, the ironstone bodies tend to be narrowest in the north-south direction and elongated east west, reflecting the</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>regional cleavage and shearing. Edna Beryl clearly follows this pattern. Their vertical dimensions may run to hundreds of metres, beyond the reach of surface drilling.</p> <ul style="list-style-type: none"> <li>• Ore grades may occur over substantial vertical intervals of an ironstone pipe or lens, but are not expected to occur over the entire length.</li> <li>• The mineralisation style is considered to be Iron Oxide Copper Gold.</li> <li>• Supergene enrichment is very evident.</li> </ul>
<b>Drillhole information</b>	<ul style="list-style-type: none"> <li>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes: <ul style="list-style-type: none"> <li>○ easting and northing of the drillhole collar</li> <li>○ elevation or RL of the drillhole collar</li> <li>○ dip and azimuth of the hole</li> <li>○ downhole length and interception depth</li> <li>○ hole length.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• A list of the drill holes, collar detail and intersections is provided in the body of this text Table 1 &amp; 2 and on figure 2.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• Mineralized RC and Diamond intersections are reported as down hole intervals and not weighted averages.</li> <li>• The results discussed are exploration results only and no allowance is made for recovery losses that may occur should mining eventually result, nor metallurgical flow sheet considerations.</li> </ul>
<b>Relationship between mineralization widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</li> <li>• If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (eg 'downhole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>• The holes drilled within the Edna Beryl Exploration Target area are perpendicular the east-west striking mineralised zone. The holes were designed and drilled perpendicular to the steep dipping mineralised zone making the intercepts approximate to true width.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer to Figures in body of text.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>• Due to the age the Resource Estimation for the Edna Beryl resource, Emmerson are cautious and do not believe the historical Resource Estimate can be reported in accordance with the current 2012 JORC Code. Emmerson considers the Edna Beryl mineralisation to be an Advanced Exploration Target.</li> <li>• It is uncertain that following evaluation and/or further exploration work that the historical estimate will be able to be reported as Mineral Resources or Ore Reserves in accordance with the requirements in Appendix 5A (JORC Code).</li> </ul>
<b>Other substantive</b>	<ul style="list-style-type: none"> <li>• Other exploration data, if meaningful and</li> </ul>	<ul style="list-style-type: none"> <li>• Geotechnical logging was carried out on all historical and</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>exploration data</b>	<p><i>material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></p>	<p>current diamond drill holes for recovery, ROD and number of defects (per interval). Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape, roughness and fill material was stored in the structure table of the MicroMine database.</p> <ul style="list-style-type: none"> <li>• Density measurements were routinely collected by Giants Reef and Emmerson geologists.</li> <li>• Metallurgical testing of selected mineralised Edna Beryl samples was conducted by Metcon Laboratories Pty Ltd in 1996.</li> <li>• Metallurgical testing concluded that 70% could be gravity recovered with the remaining gold cyanide soluble so that total gold extraction of &gt;98% could be obtained. Screen Fire Assay of selected samples was conducted by Giants Reef Mining.</li> <li>• Geophysical magnetic susceptibility logging is completed at 1m intervals on site (RC drilling) and in the core shed for selected sections of diamond core.</li> <li>• Thin section samples were collected by Giants Reef Mining to assist in the refinement of the geological model.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• RC and diamond drilling (Phase 3) is currently underway to further assist in confirming the geological and grade continuity of gold mineralisation already intersected.</li> <li>• Completion of drilling is expected until mid – December, 2016.</li> <li>• Gyro survey of completed holes.</li> <li>• Optical / Acoustic televiewer survey in progress.</li> <li>• Down hole density and 3 component magnetometry underway.</li> <li>• Current drill hole spacing is still considered too wide to enable an accurate Mineral Resource Estimate.</li> <li>• Higher gold grade intersections selected for screen fire assay.</li> <li>• Twin hole drill program to be designed.</li> <li>• Petrological study of selected core and drill chips is underway.</li> <li>• Once all data is received it will be interpreted (Quarter 1 2017).</li> <li>• Geological interpretation as discussed in the text.</li> </ul>

## Mining Tenements Held at 31 March 2017 (Northern Territory, Australia)

Tenement	Name	Interest	Tenement	Name	Interest	Tenement	Name	Interest
EL10114	McDougall	100%	ELA7809	Mt Samuel	100%	HLDC91	Wiso Basin	100%
EL10124	Speedway	100%	HLDC100	Sally No Name	100%	HLDC92	Wiso Basin	100%
EL10313	Kodiak	100%	HLDC101	Sally No Name	100%	HLDC93	Wiso Basin	100%
EL10406	Montana	100%	HLDC37	Warrego, No 1	100%	HLDC94	Warrego, No.4	100%
EL23285	Corridor 2	100%	HLDC39	Warrego Min,	100%	HLDC95	Warrego, No.3	100%
EL23286	Corridor 3	100%	HLDC40	Warrego, No 2	100%	HLDC96	Wiso Basin	100%
EL23905	Jackie	100%	HLDC41	Warrego, No 3	100%	HLDC97	Wiso Basin	100%
EL26594	Bills	100%	HLDC42	Warrego, S7	100%	HLDC98	Wiso Basin	100%
EL26595	Russell	100%	HLDC43	Warrego , S8	100%	HLDC99	Wiso, No.3 pipe	100%
EL26787	Rising Ridge	100%	HLDC44	Warrego, No.2	100%	MA23236	Udall Road	100%
EL27011	Snappy Gum	100%	HLDC45	Warrego, No.1	100%	MA27163	Eagle	100%
EL27136	Reservoir	100%	HLDC46	Warrego, No.1	100%	MA30798	Little Ben	100%
EL27164	Hawk	100%	HLDC47	Wiso Basin	100%	MCC174	Mt Samuel	100%
EL27408	Grizzly	100%	HLDC48	Wiso Basin	100%	MCC203	Galway	100%
EL27537	Chappell	100%	HLDC49	Wiso Basin	100%	MCC211	Shamrock	100%
EL27538	Mercury	100%	HLDC50	Wiso Basin	100%	MCC212	Mt Samuel	85%
EL28601	Malbec	100%	HLDC51	Wiso Basin	100%	MCC239	West Peko	100%
EL28602	Red Bluff	100%	HLDC52	Wiso Basin	100%	MCC240	West Peko	100%
EL28603	White Devil	100%	HLDC53	Wiso Basin	100%	MCC287	Mt Samuel	100%
EL28618	Comstock	100%	HLDC54	Wiso Basin	100%	MCC288	Mt Samuel	100%
EL28760	Delta	100%	HLDC55	Warrego, No.4	100%	MCC308	Mt Samuel	85%
EL28761	Quartz Hill	100%	HLDC56	Warrego, No.5	100%	MCC316	The Trump	100%
EL28775	Trinity	100%	HLDC58	Wiso Line, No.6	100%	MCC317	The Trump	100%
EL28776	Whippet	100%	HLDC59	Warrego, No.6	100%	MCC334	Estralita Group	100%
EL28777	Bishops Creek	100%	HLDC69	Wiso Basin	100%	MCC340	The Trump	100%
EL28913	Amstel	100%	HLDC70	Wiso Basin	100%	MCC341	The Trump	100%
EL29012	Tetley	100%	HLDC71	Wiso Basin	100%	MCC344	Mt Samuel	100%
EL29488	Rocky	100%	HLDC72	Wiso Basin	100%	MCC364	Estralita	100%
EL30167	Dolomite	100%	HLDC73	Wiso Basin	100%	MCC365	Estralita	100%
EL30168	Caroline	100%	HLDC74	Wiso Basin	100%	MCC366	Estralita	100%
EL30301	Grey Bluff East	100%	HLDC75	Wiso Basin	100%	MCC524	Gibbet	100%
EL30488	Colombard	100%	HLDC76	Wiso Basin	100%	MCC55	Mondeuse	100%
EL30584	Juno North	100%	HLDC77	Wiso Basin	100%	MCC56	Shiraz	100%
EL30614	Franc	100%	HLDC78	Wiso Basin	100%	MCC57	Mondeuse	100%
EL30748	Battery Hill	100%	HLDC79	Wiso Basin	100%	MCC66	Golden Forty	100%
EL31249	Prosperity	100%	HLDC80	Wiso Basin	100%	MCC67	Golden Forty	100%
EL9403	Jess	100%	HLDC81	Wiso Basin	100%	MCC9	Eldorado	100%
EL9958	Running Bear	100%	HLDC82	Wiso Basin	100%	MCC925	Brolga	100%
ELA27539	Telegraph	100%	HLDC83	Wiso Basin	100%	MCC926	Brolga	100%
ELA27902	Lynx	100%	HLDC84	Wiso Basin	100%	ML22284	Billy Boy	100%
ELA30123	Mosquito Creek	100%	HLDC85	Wiso Basin	100%	ML23216	Chariot	100%
ELA30505	Golden East	100%	HLDC86	Wiso Basin	100%	ML23969	GeckoHeadframe	100%
ELA30516	Barkly Highway	100%	HLDC87	Wiso Basin	100%	ML29917	Havelock	100%
ELA30746	Mule	100%	HLDC88	Wiso Basin	100%	ML29919	Orlando	100%
ELA30747	Power of Wealth	100%	HLDC89	Wiso Basin	100%	ML30096	Malbec	100%
ELA30749	Mary Anne	100%	HLDC90	Wiso Basin	100%	ML30176	Queen of Sheba	100%

## Mining Tenements Held at 31 March 2017 (Northern Territory, Australia)

Tenement	Name	Interest	Tenement	Name	Interest	Tenement	Name	Interest
ML30177	North Star	100%	ML31074	Rocky Range	100%	MLC176	Chariot	100%
ML30322	Verdot	100%	ML31075	Franc	100%	MLC177	Chariot	100%
ML30322	Verdot	100%	ML31076	Jubilee	100%	MLC18	West Gibbet	100%
ML30620	Kia Ora	100%	ML31123	Gibbet1	100%	MLC182	Riesling	100%
ML30623	Pinnacles Sth	100%	MLA29526	Blue Moon	100%	MLC183	Riesling	100%
ML30636	Jacqueline the	100%	MLA29527	Wiso	100%	MLC184	Riesling	100%
ML30712	Battery Hill	100%	MLA29528	Wiso	100%	MLC204	Argo West	100%
ML30713	The Pup	100%	MLA29529	Wiso	100%	MLC205	Argo West	100%
ML30714	Pedro	100%	MLA29530	Wiso	100%	MLC206	Argo West	100%
ML30715	Red Bluff North	100%	MLA29531	Wiso	100%	MLC207	Argo West	100%
ML30716	Comstock	100%	MLA29532	Wiso	100%	MLC208	Argo West	100%
ML30742	Black Cat	100%	MLC120	Cabernet/Nav 7	100%	MLC209	Argo West	100%
ML30743	True Blue	100%	MLC121	Cabernet/Nav 7	100%	MLC21	Gecko	100%
ML30744	Scheurber	100%	MLC122	Cabernet/Nav 7	100%	MLC217	Perserverance	30%
ML30745	Bomber	100%	MLC123	Cabernet/Nav 7	100%	MLC218	Perserverance	30%
ML30781	Smelter	100%	MLC127	Peko East Ext 4	100%	MLC219	Perserverance	30%
ML30782	Dark	100%	MLC129	Peko Sth- East	100%	MLC220	Perserverance	30%
ML30783	Semillon	100%	MLC130	Golden Forty	100%	MLC221	Perserverance	30%
ML30784	Noir	100%	MLC131	Golden Forty	100%	MLC222	Perserverance	30%
ML30815	Blue Moon	100%	MLC132	Golden Forty	100%	MLC223	Perserverance	30%
ML30864	Verdelho	100%	MLC133	Golden Forty	100%	MLC224	Perserverance	30%
ML30865	Dong Dui	100%	MLC134	Golden Forty	100%	MLC253	Mulga 1	100%
ML30867	Thurgau	100%	MLC135	Golden Forty	100%	MLC254	Mulga 1	100%
ML30870	Rising Star	100%	MLC136	Golden Forty	100%	MLC255	Mulga 1	100%
ML30871	Colombard	100%	MLC137	Golden Forty	100%	MLC256	Mulga 2	100%
ML30872	The Extension	100%	MLC138	Golden Forty	100%	MLC257	Mulga 2	100%
ML30873	Pinot	100%	MLC139	Golden Forty	100%	MLC258	Mulga 2	100%
ML30874	Merlot	100%	MLC140	Golden Forty	100%	MLC259	Mulga 2	100%
ML30875	Grenache	100%	MLC141	Golden Forty	100%	MLC260	Mulga 2	100%
ML30885	Zinfandel	100%	MLC142	Golden Forty	100%	MLC261	Mulga 2	100%
ML30886	EXP212	100%	MLC143	Golden Forty	100%	MLC32	Golden Forty	100%
ML30888	Warrego	100%	MLC144	Golden Forty	100%	MLC323	Gecko	100%
ML30893	Troy	100%	MLC146	Golden Forty	100%	MLC324	Gecko	100%
ML30909	Archimedes	100%	MLC147	Golden Forty	100%	MLC325	Gecko	100%
ML30910	Marsanne	100%	MLC148	Golden Forty	100%	MLC326	Gecko	100%
ML30911	Wolseley	100%	MLC149	Golden Forty	100%	MLC327	Gecko	100%
ML30912	Ivanhoe	100%	MLC15	Eldorado 4	100%	MLC342	Tinto	100%
ML30937	Gris	100%	MLC158	Warrego gravel	100%	MLC343	Rocky Range	100%
ML30938	EXP195	100%	MLC159	Warrego gravel	100%	MLC344	Rocky Range	100%
ML30945	Metallic Hill	100%	MLC16	Eldorado 5	100%	MLC345	Rocky Range	100%
ML30946	Sauvignon	100%	MLC160	Warrego gravel	100%	MLC346	Rocky Range	100%
ML30947	Warrego East	100%	MLC161	Warrego gravel	100%	MLC347	Golden Forty	100%
ML31021	Gecko 3	100%	MLC162	Warrego gravel	100%	MLC348	Brolga	100%
ML31023	Gecko 1	100%	MLC163	Warrego gravel	100%	MLC349	Brolga	100%
ML31055	EXP 80	100%	MLC164	Warrego gravel	100%	MLC35	Golden Forty	100%
ML31057	Durif	100%	MLC165	Warrego gravel	100%	MLC350	Brolga	100%

## Mining Tenements Held at 31 March 2017 (Northern Territory, Australia)

Tenement	Name	Interest	Tenement	Name	Interest	Tenement	Name	Interest
MLC351	Brolga	100%	MLC501	Eldorado	100%	MLC602	TC8 Lease	100%
MLC352	Golden Forty	100%	MLC502	Eldorado	100%	MLC603	TC8 Lease	100%
MLC353	Golden Forty	100%	MLC503	Eldorado	100%	MLC604	TC8 Lease	100%
MLC354	Golden Forty	100%	MLC504	Eldorado	100%	MLC605	TC8 Lease	100%
MLC355	Golden Forty	100%	MLC505	Eldorado	100%	MLC606	Lone Star	100%
MLC36	Golden Forty	100%	MLC506	Marion Ross	100%	MLC607	Lone Star	100%
MLC362	Lone Star	100%	MLC51	Eldorado Anom	100%	MLC608	Lone Star	100%
MLC363	Lone Star	100%	MLC518	Ellen, Eldorado	100%	MLC609	Lone Star	100%
MLC364	Lone Star	100%	MLC52	Muscadel	100%	MLC610	Lone Star	100%
MLC365	Lone Star	100%	MLC520	Great Northern	100%	MLC611	Lone Star	100%
MLC366	Lone Star	100%	MLC522	Aga Khan	100%	MLC612	Lone Star	100%
MLC367	Lone Star	100%	MLC523	Eldorado	100%	MLC613	Lone Star	100%
MLC368	Lone Star	100%	MLC524	Susan	100%	MLC614	Lone Star	100%
MLC369	Lone Star	100%	MLC527	Mt Samual	100%	MLC615	Lone Star	100%
MLC37	Golden Forty	100%	MLC528	Dingo Eldorado	100%	MLC616	Lone Star	100%
MLC370	Lone Star	100%	MLC529	Cats Whiskers	100%	MLC617	Mt Samuel	50%
MLC371	Lone Star	100%	MLC53	Golden Forty	100%	MLC619	True Blue	85%
MLC372	Lone Star	100%	MLC530	Lone Star	100%	MLC626	Caroline	100%
MLC373	Lone Star	100%	MLC535	Eldorado No 5	100%	MLC644	Enterprise	100%
MLC374	Lone Star	100%	MLC54	Golden Forty	100%	MLC645	Estralita	100%
MLC375	Lone Star	100%	MLC546	The Mount	100%	MLC654	TC8 Lease	100%
MLC376	Mulga 1	100%	MLC55	Golden Forty	100%	MLC66	Traminer	100%
MLC377	Mulga 1	100%	MLC554	White Devil	100%	MLC675	Black Angel	100%
MLC378	Mulga 1	100%	MLC557	White Devil	100%	MLC676	Black Angel	100%
MLC379	Mulga 1	100%	MLC558	New Hope	100%	MLC683	Eldorado	100%
MLC38	Memsahib East	100%	MLC559	White Devil	100%	MLC69	Gecko	100%
MLC380	Mulga 1	100%	MLC56	Golden Forty	100%	MLC692	Warrego Mine	100%
MLC381	Mulga 1	100%	MLC560	White Devil	100%	MLC70	Gecko	100%
MLC382	Mulga 1	100%	MLC57	Perserverence	30%	MLC700	White Devil	100%
MLC383	Mulga 1	100%	MLC576	Golden Forty	100%	MLC702		100%
MLC384	Mulga 2	100%	MLC577	Golden Forty	100%	MLC705	Apollo 1	100%
MLC385	Mulga 2	100%	MLC581	Eldorado ABC	100%	MLC78	Gecko	100%
MLC386	Mulga 2	100%	MLC582	Eldorado ABC	100%	MLC85	Gecko	100%
MLC387	Mulga 2	100%	MLC583	Eldorado ABC	100%	MLC86	Gecko	100%
MLC4	Peko Extended	100%	MLC584	Golden Forty	100%	MLC87	Gecko	100%
MLC406	Comet	100%	MLC585	Golden Forty	100%	MLC88	Gecko	100%
MLC407	Comet	100%	MLC586	Golden Forty	100%	MLC89	Gecko	100%
MLC408	Comet	100%	MLC591	TC8 Lease	100%	MLC90	Gecko	100%
MLC409	Comet	100%	MLC592	TC8 Lease	100%	MLC91	Carraman/Klond	100%
MLC432	Mulga 1	100%	MLC593	TC8 Lease	100%	MLC92	Carraman/Klond	100%
MLC48	Tinto	100%	MLC594	TC8 Lease	100%	MLC93	Carraman/Klond	100%
MLC49	Mt Samual	100%	MLC595	TC8 Lease	100%	MLC94	Carraman/Klond	100%
MLC498	Eldorado	100%	MLC596	TC8 Lease	100%	MLC95	Carraman/Klond	100%
MLC499	Eldorado	100%	MLC597	TC8 Lease	100%	MLC96	Osprey	100%
MLC5	Peko Extended	100%	MLC598	Golden Forty	100%	MLC97	Osprey	100%
MLC50	Eldorado Anom	100%	MLC599	Mt Samuel	85%	MLCA708		100%
MLC500	Eldorado	100%	MLC601	TC8 Lease	100%			

## Mining Tenements Held at 31 March 2017 (New South Wales, Australia)

Tenement	Name	Interest
EL8463	Wellington	90%
EL8464	Fifield	90%
EL8465	Temora	90%
EL8466	Parkes	90%
ELA5417	Kiola	90%